

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF EXECUTIVE DIRECTOR

MARK SANFORD, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

RICHARD ECKSTROM
COMPTROLLER GENERAL



HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

DANIEL T. COOPER
CHAIRMAN, WAYS AND MEANS COMMITTEE

FRANK W. FUSCO
EXECUTIVE DIRECTOR

P.O. Box 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

August 25, 2006

The Honorable Mark Sanford
South Carolina State House
P. O. Box 11829
Columbia, SC 29211

Dear Governor Sanford:

This will transmit to you the State Budget & Control Board's budget plan and budget proviso requests for Fiscal Year 2007-2008.

The first request is for funds to continue support for the South Carolina Enterprise Information System (SCEIS) Project. SCEIS will replace numerous independent financial, procurement and human resource systems across state government with a single enterprise system. The result will be greater accountability, significant reductions in agency administrative costs, and the ability to provide the data needed to manage government as an enterprise.

There is also a statewide budget issue of funding requirements for the state employee health insurance plan. After examination of claims experience and program income through October, the Board will provide a projection of the budget needs of the State Health Insurance Plan for Fiscal Year 2007-08. The Board anticipates providing this projection to you no later than November 15, 2006.

Thank you for the opportunity to submit this request.

Sincerely,

A handwritten signature in cursive script that reads 'Frank W. Fusco'.

Frank W. Fusco

Attachments

FISCAL YEAR 2007-08 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name: Section 63/F03/Budget & Control Board

B. Statewide Mission: The Board provides innovative leadership and a variety of services to government agencies to foster effective government.

C. Summary Description of Strategic or Long-Term Goals:

- (1) Improving return on investments for all major programs and functions of the Board.
- (2) Improving customer satisfaction.
- (3) Improving employee well-being.

All goals are addressed throughout the Agency Accountability Report; not just in one section.

D.

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: S.C. Enterprise Information System	0	3,200,000	0	0	3,200,000	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above (if applicable): Activity Number & Name: #253 – Enterprise Projects										
Priority No.: 2	Title: Office of Local Government SRF State Match	0	2,435,910	0	0	\$2,435,910	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above (if applicable): Activity Number & Name: #240 – State Revolving Funds Loan Program										
Priority No.:	Title:	0	0	0	0	\$ 0	0	0	0	0.00

Summary of Operating Budget Priorities for FY 2007-08:	FUNDING					FTEs			
	State Non- Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name:									
TOTAL OF ALL PRIORITIES	\$ 0	\$5,635,910	\$ 0	\$ 0	\$5,635,910	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:

State \$ 28,791,186

Federal\$ 1,955,231

Other \$ 168,644,707

F. Efficiency Measures: The following measures will be in the Board's 2006 Accountability Report.:

- The rates charged by the Insurance Reserve Fund are well below comparable private sector benchmarks as calculated by the Insurance Service Organization.
- The South Carolina Retirement System's administrative cost per member is \$47 compared with \$80 among peer public pension plans as calculated by Cost Effectiveness Measurement, Inc.
- The Agency Mail Program saved state and local agencies \$4.25 million dollars last year when compared with the cost of using the U.S. Postal Service.
- The average cost per minute for CIO-provided long distance service has declined for five consecutive years.
- State term contracts saved \$14.4 million for state agencies last year.

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.: 1	<u>Project Name:</u> Deferred Maintenance of State-Owned Buildings Activity Number & Name: #223 Facilities Management	Project No*:	\$21,560,880	0	0	\$21,560,880
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$21,560,880	\$ 0	\$ 0	\$21,560,880

* If applicable

H. Number of Proviso Changes:11

I. Signature/Agency Contacts/Telephone Numbers:



Frank W. Fusco
Executive Director

Agency Contacts:
Steve Osborne
Chief of Staff
734-2320

Steve Elliott, Director
Office of Internal Operations
737-0551

II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

- A. Agency Section/Code/Name: **Section 63 / F03/ Budget and Control Board**
- B. Priority No. 1 of 2
- C. (1) Title: South Carolina Enterprise Information System Project
(2) Summary Description: Implementation of an enterprise resource planning system (SAP) to replace the State's existing administrative systems
(3) Strategic Goal/Action Plan (*if applicable*): Produce business process efficiencies and cost savings, and provide better information to manage an agency and the State as an enterprise
- D. Budget Program Number and Name: VIII.C – IT Planning & Management Services
- E. Agency Activity Number and Name: 253: Enterprise Projects
- F. Detailed Justification for Funding
- (1) Justification for Funding Increase: This request is for funds required to continue support for the South Carolina Enterprise Information System (SCEIS) Project. This Project will replace numerous independent financial, procurement and human resource systems in state government with a single enterprise system (SAP). This Project will result in greater accountability, significant reductions in administrative costs and provide the data needed to manage government as an enterprise. This requested recurring funds are necessary to pay ongoing operational costs for the SCEIS Project during FY 2007-08 to include maintenance fees for software and hardware, ongoing consulting fees for blueprinting and configuring of the SAP software, ongoing consulting fees for design and implementation of imaging software, data processing fees at the State Data Center, training on SAP/imaging software for Project team and end-users, office supplies and equipment. No one-time funds or personnel are being requested at this time.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0

(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		3,200,000			\$ 3,200,000
Total	\$ 0	\$ 3,200,000	\$ 0	\$ 0	\$ 3,200,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 5,428,310
Federal \$
Other \$

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: N/A

(b) Future Impact on Operating Expenses or Facility Requirements: N/A

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00

(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State _____
Federal _____
Other _____

Agency-wide Vacant FTEs as of July 31, 2006:

% Vacant _____%

H. Other Comments:

A. Agency Section/Code/Name: Section 63, F03, Budget and Control Board

B. Priority No. 2 of 2

C. (1) Title: SRF State Match

(2) Summary Description:

Restore state funding to fully satisfy the 20% match required for federal (EPA) capitalization of the State Revolving Funds (SRF), which are used to provide local jurisdictions with long-term, low-interest loans to meet water and sewer infrastructure needs that improve water quality.

(3) Strategic Goal/Action Plan (*if applicable*):

D. Budget Program Number and Name: VII. C. 2. B. – Office of Local Government Loan Distribution to Subdivisions

E. Agency Activity Number and Name: 240-State Revolving Fund Loans

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

An additional funding increase of \$ 2,435,910 to the base appropriation of \$ 1,064,090 will fulfill the EPA eligibility requirements (\$3.5 million total match to receive \$17.5 million in federal money). Adequate environmental facilities are a key component to the health and welfare of local communities and these facilities are also necessary for continued economic growth and development in the State. Since loan repayments are deposited back into the revolving loan programs, the money will be reused on a continuous basis and re-invested in environmental infrastructure for the benefit of SC.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

Program/Case Services		\$2,435,910			\$2,435,910
Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
Total	\$ 0	\$ 2,435,910	\$ 0	\$ 0	\$ 0
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 1,064,090
Federal \$
Other \$

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(2) Justification for New FTEs

(a) Justification: N/A

(b) Future Impact on Operating Expenses or Facility Requirements: N/A

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State _____
Federal _____
Other _____

Agency-wide Vacant FTEs as of July 31, 2006:

% Vacant _____%

H. Other Comments:

III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

A. Agency Section/Code/Name: Section 63/F03/Budget and Control Board

B. Priority No. 1 of 1

C. Strategic Goal/Action Plan (*if applicable*):

D. Project Name and Number (*if applicable*):

Priority Number	Project Name	Estimated Cost
1	B&CB Facilities-Fire Alarm/Smoke Detector Code Compliance/Phase III	2,053,951.00
2	Supreme Court Building – Correct Deferred Maintenance	855,124.00
3	Calhoun Building – Correct Deferred Maintenance	4,210,482.00
4	Gressette Building – Correct Deferred Maintenance	1,521,310.00
5	Blatt Building – Correct Deferred Maintenance	3,070,236.00
6	Rutledge Building – Correct Deferred Maintenance	2,663,486.00
7	Columbia Mills – Window Replacement	2,555,227.00
8	Mills/Jarrett Building – Correct Deferred Maintenance	4,631,064.00

E. Agency Activity Number and Name: #223/Facilities Management

F. Description of Priority: See “D” above

G. Detailed Justification for Funding

(1) Justification for Funding Priority: This funding is needed to reduce the backlog of deferred maintenance items in state owned buildings managed by the Budget & Control Board. The funds would be spent on design and construction contracts that would address critical needs such as code compliance and arrest deterioration of the structures. The funding would allow for an aggressive repair and preventive maintenance program. Proviso 63.34 of the FY2006-07 Appropriation Act - Sale of Surplus Real Property has allowed the Budget & Control Board to address some immediate concerns. However with several pieces of property excluded from this proviso and the limited current inventory of surplus real property on the market, the Board does not expect large sources of funds to be available in future years.

(2)

Total Project Cost	Additional	Previously Authorized	Total Other	Project
--------------------	------------	-----------------------	-------------	---------

Estimates:	State Funds	State Funds	Fund Sources	Total
Total Project Cost*	\$21,560,880.00			\$ 21,560,880.00

* If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.

H. Justification for First Year Additional Future Annual Operating Costs: N/A

(1) Will additional annual operating costs be absorbed into your existing budget? _____

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: _____ Will this fiscal year require a partial or full year's operating funds? _____ If a partial year's funds are required, what portion of the year does it cover? _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

I. Justification for First Full Year Additional Future Annual Operating Costs (If Section H above represents a full year's operating funds, do not complete this section.)

(1) Will additional annual operating costs be absorbed into your existing budget? _____

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. Other Comments: The requested \$21.5 million will allow the Board to continue to address the current backlog of deferred maintenance items. Our inability to correct these known deficiencies will lead to the continued deterioration of our buildings and will increase the ultimate price needed to fix the deficiencies. The need will grow as long without a permanent and sustainable source of funding.

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: 241 - CDBG
- C. Explanation of Cost Savings Initiative:
Transfer/merge activity for greater efficiency and accountability
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds	72,144			72,144
Other Operating Expenses				\$ 0
Total	72,144	\$ 0	\$ 0	72,144

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
This activity is an appropriation that is transferred to JEDA (Activity P34). This activity could be transferred to and merged with JEDA's P34 activity. The ultimate impact is dependent upon the degree of efficiency that may be achieved as a result of a merger and any flexibility in funding at the receiving activity.

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: 269 – HR Support to Governor’s Office
- C. Explanation of Cost Savings Initiative:
Transfer/merge activity for greater efficiency and accountability
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs	3.0			3.00
(b) Personal Service	112,798			112,798
(c) Employer Contributions	29,975			29,975
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses				\$ 0
Total	\$142,773	\$ 0	\$ 0	\$142,773

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
This activity provides personnel services to the Governor’s Office. This activity could be transferred to and merged with the Governor’s Office – OEPP (Activity 78), which is described as providing personnel/HR services. The impact is dependent upon the degree of efficiency that may be achieved as a result of a merger/transfer and any flexibility in funding within the Governor’s Office.

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: 265-Base Closure
- C. Explanation of Cost Savings Initiative:
Align funding with level of activity
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				0
Other Operating Expenses	360,907			360,907
Total	360,907	\$ 0	\$ 0	360,907

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
Based upon recent levels of expense, conclusion of the work of the Base Realignment and Closure Commission (BRAC), and the amount of funds already available, funding for this activity could be considered for a reduction. After this saving initiative, Base Closure would have a recurring appropriation of \$213,809 plus state appropriations of \$603,565 carried forward from FY2006. Expenses in FY2006 were \$83,403. The SC Base Closure Commission directs the actions and expenditures of this activity and may provide the actual level of funding needed as closures and realignments commence.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Transfer/merge activity for greater efficiency and accountability	72,144	0	0	72,144	0	0	0	0.00
Activity Number & Name: 241 - CDBG								
Initiative Title: Transfer/merge activity for greater efficiency and accountability	142,773	0	0	142,773	3.0	0	0	3.00
Activity Number & Name: 269 – HR Support to Governor’s Office								
Initiative Title: Align funding with level of activity	360,907	0	0	360,907	0	0	0	0
Activity Number & Name: 265-Base Closure								
TOTAL OF ALL INITIATIVES	\$575,824	\$ 0	\$ 0	\$575,824	3.0	0.00	0.00	3.0

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: SC National Heritage Corridor (1543), Mfg Alliance "Made in South Carolina" \$500,000 (NEW), EEDA Marketing & Communications \$1,000,000 (NEW), SE Regional Settlement \$395,000 (NEW), Newberry County Sheriff's Office \$35,000 (NEW), Weldon Auditorium \$500,000 (NEW), Success Center Building \$100,000 (NEW), City of Georgetown - Business Revitalization & Promotion \$23,460 (NEW), Georgetown Marina \$1,000,000 (NEW), City of Columbia - Streetscape \$1,000,000 (NEW), Columbia Black Expo \$200,000 (NEW), Camden First Community Development Program \$150,000 (NEW), Lexington County Water and Sewer \$250,000 (NEW), East Camden Sewer System \$250,000 (NEW), Police Substation Screaming Eagle Road \$100,000 (NEW), Drummond Center Erskine College Program Support \$700,000 (NEW), Tobacco Arbitration Settlement \$1,200,000 (NEW), Marion County Senior Center \$250,000 (NEW), Old Springfield High School Renovations \$75,000 (NEW), Lake City Senior Center \$200,000 (NEW), and Hartsville Drainage Project \$200,000 (NEW)
- C. Explanation of Lowest Priority Status:
These activities are all flow through funding appropriated in Proviso 73.14 of the FY2006-07 Appropriations Act. These activities do not constitute a core objective of this agency.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	\$8,378,460	0	0	\$8,378,460
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$ 0	\$ 0	\$8,378,460	\$ 0	\$ 0	\$8,378,460

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
Activities appear to be the one-time funding needed for specific projects.

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: Central Carolina Allied Health Service Center \$2,000,000 (NEW), Conway Maintenance Shop Renovations \$1,000,000 (NEW), Anderson County Health Department Roof Replacement and Magistrate's Court Building \$3,500,000 (NEW), Edgefield Building Renovations \$300,000 (NEW), and Dorchester Interfaith Outreach Ministry Homeless Center and Soup Kitchen \$250,000 (NEW).
- C. Explanation of Lowest Priority Status:
These activities are all flow through funding appropriated in Proviso 73.17 of the FY2006-07 Appropriations Act. These activities do not constitute a core objective of this agency.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	\$7,050,000	0	0	\$7,050,000
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$ 0	\$ 0	\$7,050,000	\$ 0	\$ 0	\$7,050,000

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
Activities appear to be the one time funding needed for specific projects.

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: 241 - CDBG
- C. Explanation of Lowest Priority Status:
This activity is an appropriation that is transferred to JEDA (Activity P34). This activity is not a core objective of this agency.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	\$72,144	0	0	0	0	\$72,144
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$72,144	\$ 0	\$	\$ 0	\$ 0	\$72,144

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
The impact of eliminating this activity is dependent upon JEDA's flexibility in funding.

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: 269 – HR Support to Governor’s Office
- C. Explanation of Lowest Priority Status:
This activity supports the operations of the Governor’s Office rather than the Budget and Control Board.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	3.0	0	0	0	0	3.0
(b) Personal Service	112,798		0	0	0	112,798
(c) Employer Contributions	29,975		0	0	0	29,975
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$0
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	142,773	\$ 0	0	\$ 0	\$ 0	\$142,773

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
The Governor’s Office would have to provide for its human resources function from existing resources.

- A. Agency Section/Code/Name: Section 63 – F03 – Budget and Control Board
- B. Agency Activity Number and Name: 263 - Brandenburg
- C. Explanation of Lowest Priority Status:
This activity supports cultural, educational, agricultural, scientific, governmental or business exchanges and agreements between SC and the sister German state, Brandenburg, and related German interests. 2006 Act 397, Part IB, § 63.2. South Carolina Commission on International Cooperation and Agreements, created by Governor's Executive Order 2003-18, directs the use of these funds. This activity does not constitute a core objective of this agency.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$0
Other Operating Expenses	11,354	0	0	0	0	\$11,354
Total	\$11,354	\$ 0	\$0	\$ 0	\$ 0	\$11,354

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
The impact depends upon whether other agencies with missions that are more closely aligned with the purpose of Brandenburg decide to incorporate Brandenburg into their activities.

F.

Summary of Priority Assessment of Activities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: Heritage Corridor (1543) & unassigned	0	0	8,378,460	0	0	8,378,460	0
Activity Number & Name: unassigned	0	0	7,050,000	0	0	7,050,000	0
Activity Number & Name: CDBG (241)	72,144	0	0	0	0	72,144	0
Activity Number & Name: HR Support to Gov's Office (269)	142,773	0	0	0	0	142,773	3.0
Activity Number & Name: Brandenburg (263)	11,354	0	0	0	0	11,354	0
TOTAL OF LOWEST PRIORITES	226,271	\$ 0	15,428,460	\$ 0	\$ 0	15,654,731	3.0